

# **EXHIBIT 9**



**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD  
FOR PUERTO RICO**

**November 19, 2021**

**RESOLUTION RELATING TO ACT 80-2020, ACT 81-2020, ACT 82-2020, AND SENATE  
JOINT RESOLUTION 171-2021**

WHEREAS, on June 30, 2016, the federal Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”) was enacted;

WHEREAS, section 101 of PROMESA created the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”);

WHEREAS, on August 3, 2020, then-Governor Vazquez Garced signed into law three statutes designated Act 80-2020 (“Act 80”), Act 81-2020 (“Act 81”), and Act 82-2020 (“Act 82”);

WHEREAS, Act 80 creates the Incentivized Retirement Program, which offers early retirement to specific classes of eligible public employees covered under the Employees’ Retirement System (“ERS”) defined-benefit pension plan, and would increase the pension benefits of those employees from 29–40% of their highest salary to 50% of the highest annual compensation received over their final three years of employment;

WHEREAS, Act 81 amends the ERS defined-benefit pension plan to allow certain public emergency employees hired prior to January 1, 2000 to retire earlier than currently provided by statute and would increase the pension benefits of those employees from 29–40% of their final salaries to 45–55% of their final salaries;

WHEREAS, Act 82 modifies Act 26-2017 to allow Teachers’ Retirement System (“TRS”) participants to apply pre-existing or excess unused sick leave towards their retirement eligibility and pension-benefit levels, allowing some teachers to retire years earlier than was possible prior to the enactment of Act 82;

WHEREAS, Act 80, Act 81, and Act 82 would each increase the pension obligations of the Commonwealth, while potential savings from headcount reductions are uncertain and unlikely to cover this increased cost, and—according to the Oversight Board’s assessment—could increase the Commonwealth’s expenses by billions of dollars over the next 30 years;

WHEREAS, as noted in the Oversight Board’s extensive correspondence with the government, the Oversight Board determined Act 80, Act 81, and Act 82 are inconsistent with the certified Commonwealth Fiscal Plan (the “Fiscal Plan”), would violate PROMESA by increasing Commonwealth expenditures not contemplated in the Fiscal Plan or requiring an unauthorized reprogramming to fund the new pension benefits, and by implementing new laws with wide-ranging effects on the Commonwealth’s pension system without a full understanding of the financial implications of such measures or a mechanism to ensure they have no negative fiscal impact;

WHEREAS, on November 20, 2020, the Governor and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF,” and together with the Governor, the “Government”) confirmed that Act 80, Act 81, and Act 82 would not be implemented until an agreement is reached with the Oversight Board regarding whether or how these acts can be implemented in a fiscally responsible manner;

WHEREAS, since the passage of Act 80, Act 81, and Act 82, the Oversight Board has engaged in good faith efforts to work with the Government to analyze the impact of Act 80, Act 81, and Act 82 on the Commonwealth’s expenditures and revenues and to explore options for implementing such programs in a fiscally responsible manner;

WHEREAS, on April 1, 2021, AAFAF provided the Oversight Board with data showing the eligible public employees seeking to retire under Act 80 and the costs the Commonwealth would bear as a result;

WHEREAS, on June 22, 2021, the Oversight Board proposed an option for partial implementation of Act 80, provided that certain conditions and restrictions are met, including amending Act 80 (i) to apply only where “implementation will generate savings incremental to the applicable Fiscal Plans” and (ii) to provide that “all benefits payable under Act 80 will be sourced through PayGo rather than payroll”;

WHEREAS, the Government has not yet responded to the Oversight Board’s proposal;

WHEREAS, on November 11, 2021, the Puerto Rico Legislature approved Senate Joint Resolution 171-2021 (“SJR 171”), which compels the Government to implement Act 80 and does not address the concerns raised in the Oversight Board’s June 22, 2021 letter;

WHEREAS, the Oversight Board informed the Government on November 16, 2021 that SJR 171 would violate PROMESA by compelling the Government to implement a law—

in violation of the Government's agreement with the Oversight Board—that is significantly inconsistent with the Fiscal Plan and would impair and defeat PROMESA's purposes;

WHEREAS, SJR 171 is now awaiting action by the Governor;

WHEREAS, the Oversight Board has not changed its determination that Act 80, if implemented, will impair and defeat PROMESA's purposes, and the Oversight Board reaffirms its prior determination;

WHEREAS, the Oversight Board has determined that Act 80, if implemented, will impair and defeat PROMESA's purpose of achieving fiscal responsibility by (1) increasing the Commonwealth's pension obligations without ensuring corresponding savings, and (2) reversing the freeze of the ERS pension system that occurred prior to the Commonwealth's Title III case;

WHEREAS, the Oversight Board also reaffirms its prior determination that Act 81, if implemented, will impair and defeat PROMESA's purposes of achieving fiscal responsibility by (1) increasing the Commonwealth's pension obligations without ensuring corresponding savings, and (2) reversing the freeze of the ERS pension system that occurred prior to the Commonwealth's Title III case;

WHEREAS, the Oversight Board also reaffirms its prior determination that Act 82, if implemented, will impair and defeat PROMESA's purposes of achieving fiscal responsibility by (1) increasing the Commonwealth's pension obligations without ensuring corresponding savings, and (2) reversing certain aspects of the freeze of the TRS pension system required by the proposed plan of adjustment;

WHEREAS, the Oversight Board has determined that SJR 171, if implemented, will impair and defeat PROMESA's purposes of achieving fiscal responsibility by forcing partial implementation of a law that (1) will increase the Commonwealth's pension obligations without ensuring corresponding savings, and (2) the Oversight Board has determined will impair and defeat PROMESA's purposes;

WHEREAS, following discussions with the Government, and after consultation with the Oversight Board's legal and financial advisors, and following extensive deliberation, the Oversight Board has determined it is necessary and appropriate under PROMESA to take such actions as it considers necessary, consistent with its powers under PROMESA, to prevent further harm to Puerto Rico's financial future; and

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Oversight Board:

1. Directs the Government not to implement Act 80, SJR 171, or any law based on or requiring implementation of Act 80;

2. Directs the Government not to implement Act 81, or any law based on or requiring implementation of Act 81;
3. Directs the Government not to implement Act 82, or any law based on or requiring implementation of Act 82;
4. Advises the Government that the Governor and Legislature are barred by PROMESA section 108(a)(2) from enacting, implementing, and enforcing any and all of Act 80, Act 81, Act 82, and SJR 171;
5. Approves taking legal action against the Government and other appropriate parties, pursuant to its authority under PROMESA sections 104(k), 108, and 204, to enforce the bar against enacting, implementing, and enforcing Act 80, Act 81, Act 82, and SJR 171 and have them declared nullities, to prevent further harm to the Commonwealth and its citizens and to carry out PROMESA.

Agreed and authorized as of the date first set forth above.